



General Assembly

January Session, 2005

**Committee Bill No. 440**

LCO No. 3799

\*03799SB00440JUD\*

Referred to Committee on Judiciary

Introduced by:  
(JUD)

**AN ACT CONCERNING THE PENALTIES FOR DISTRIBUTORS WHO VIOLATE PROVISIONS REGULATING THE SALE OF CIGARETTES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 12-295 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2005*):

3 (a) The commissioner may suspend or revoke the license of any  
4 dealer or distributor for failure to comply with any provision of this  
5 chapter or regulations related thereto or for the sale or delivery of  
6 tobacco in any form to a minor under eighteen years of age, following  
7 a hearing with respect to which notice in writing, specifying the time  
8 and place of such hearing and requiring such dealer or distributor to  
9 show cause why such license should not be revoked, is mailed or  
10 delivered to such dealer or distributor not less than ten days preceding  
11 the date of such hearing. Such notice may be served personally or by  
12 registered or certified mail.

13 (b) If the commissioner finds, after a hearing as provided in  
14 subsection (a) of this section, that a dealer [or distributor] has violated  
15 any provision of sections 12-326a to 12-326h, inclusive, the

16 commissioner shall, for a first violation, suspend such dealer's [or  
17 distributor's] license for not less than seven days and assess a civil  
18 penalty of not less than one thousand dollars and, for a second or  
19 subsequent violation within a five-year period, the commissioner shall  
20 suspend such dealer's [or distributor's] license for not less than thirty  
21 days and assess a civil penalty of not less than five thousand dollars.  
22 The commissioner shall order such dealer [or distributor] to  
23 conspicuously post a notice in a public place stating that cigarettes  
24 cannot be sold during the period of such suspension and the reason  
25 therefor. Any sale of cigarettes by such dealer [or distributor] during  
26 the period of such suspension shall be deemed an additional violation  
27 of said sections.

28 (c) If the commissioner finds, after a hearing as provided in  
29 subsection (a) of this section, that a distributor has violated any  
30 provision of sections 12-326a to 12-326h, inclusive, the commissioner  
31 shall, for a first violation, suspend such distributor's license for not less  
32 than seven days and assess a civil penalty of not more than ten  
33 thousand dollars, for a second violation within a five-year period, the  
34 commissioner shall suspend such distributor's license for not less than  
35 thirty days and assess a civil penalty of not more than twenty-five  
36 thousand dollars, and for a subsequent violation within a five-year  
37 period, the commissioner shall revoke such distributor's license and  
38 assess a civil penalty of not more than fifty thousand dollars. The  
39 commissioner shall order such distributor to conspicuously post a  
40 notice in a public place stating that cigarettes cannot be sold during the  
41 period of such suspension and the reason therefor. Any sale of  
42 cigarettes by such distributor during the period of such suspension  
43 shall be deemed an additional violation of said sections.

44 [(c)] (d) The commissioner shall not issue a new license to a former  
45 licensee whose license was revoked unless the commissioner is  
46 satisfied that such former licensee will comply with the provisions of  
47 this chapter or regulations related thereto.

48 Sec. 2. Section 12-326g of the general statutes is repealed and the  
49 following is substituted in lieu thereof (*Effective October 1, 2005*):

50 (a) Any dealer violating any provision of sections 12-326a to 12-  
51 326h, inclusive, shall be fined not less than two hundred fifty dollars  
52 for the first offense and not less than five hundred dollars for each  
53 subsequent offense.

54 (b) Any [stamping agent, subjobber or chain store] distributor  
55 violating any provision of [said] sections 12-326a to 326h, inclusive,  
56 shall be fined not less than [five hundred] one thousand dollars for the  
57 first offense, [and] not less than [one] five thousand dollars for the  
58 second offense, and not less than ten thousand dollars for each  
59 subsequent offense.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2005</i>	12-295
Sec. 2	<i>October 1, 2005</i>	12-326g

***Statement of Purpose:***

To increase the penalties for distributors who violate the prohibition on selling cigarettes below cost.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*

Co-Sponsors: SEN. CIOTTO, 9th Dist.

S.B. 440